

OSDBU UPDATE

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Office of Small & Disadvantaged
Business Utilization
OSDBU

Edited By Ilene Waggoner

Notes from Scott

May is Public Service Recognition Month and Small Business Month.

The theme for this year's Small Business Month is "A History of Success, a Millennium of Opportunity." These celebrations offer us an opportunity to highlight the efforts of VA's Small Business Specialists, Contracting Officers, Program Managers and Executives who promote work with the small business community. Every 2 out of 3 workers in America is employed in a small business. The dollars we spend with small businesses help neighborhoods develop and flourish. As one of the largest Federal agencies and one of the most decentralized procurement organizations in Government, VA Small Business Specialists have significant challenges. They must maintain awareness of buying practices in a wide variety of product and service industries. They must maintain their knowledge of Federal and VA procurement rules and rapidly changing business practices. Finally, they must communicate with the citizens and business owners in their community about economic opportunities with our Department.

Officially, Small Business Week is May 21-27. However, many organizations arrange recognition events over a four-week period from May 21-June 20. If you would like help in planning your events, please give us a call. You can also take a look at SBA's

official events by accessing www.smallbusinesssuccess.sba.gov.

Remember, Small Business Builds America!

Thanks for your hard work,

Scott F. Denniston, Director



FY 1999 Small Business Program Awards

Each year, the Secretary recognizes VA facilities that strive to exceed the Department's goals. Due to a complex process, which is currently being examined for re-engineering, the Federal Procurement Data System does not provide agencies with finalized end-of-Fiscal Year accomplishment data until the end of March for prime contracts and the end of April for subcontracting activity. We then need to obtain internal concurrence on the honorees from VA's major

administrations and from the Office of Human Resources. So, while May seems a significant period of time since the end of last year, for awards delivery, this is not unusual. While we are naming certain individuals, please be aware to be considered for the Secretary's award program requires conscientious commitment throughout the facility. Space does not permit us to recognize each contracting officer, purchasing agent and program manager in this newsletter. A list of the award winners appears on the following pages.



Update on P. L. 106-50 The Veterans Entrepreneurship and Small Business Development Act of 1999

The Office of Small and Disadvantaged Business Utilization (OSDBU) has been working with the Small Business Administration and the Department of Labor to get a Memorandum of Understanding signed between the three agencies. As of yet the MOU has not been signed by all three organizations.

OSDBU has contacted the larger Government agencies for designation of the Small Business Veterans Advocate within each agency. This office is looking

to meet with all of the advocates to discuss how the agencies can work together to help meet the goals established by the passage of P.L. 106-50. OSDBU is planning on scheduling a meeting with the advocates in June.

There are several avenues for procurement officials to identify veteran-owned businesses, SBAs PRO-NET, and DoDs CCR system can be accessed via the Internet. These are both good tools for identifying veteran-owned business. PRO-NET can be accessed at <http://pro-net.sba.gov/> and DoDs CCR can be accessed at <http://www.ccr2000.com>.

There are still several issues pending in regards to the law, several of the issues are: the FAR rule, which as of yet has not been issued; the Board of Directors of the Veteran Corporation is to be appointed by the President; and the MOU with DOL is yet to be signed. This office will try to keep the field informed of progress made in the implementation of these new programs.

VISN Achievements:	VISN	Site	CLO
Small Business	3	Bronx, NY	Perry Danner
Minority-Direct SB	13	Minneapolis, MN	Tim Dacy
8(A) Business Development Program	3	Bronx, NY	Perry Danner
Women-owned SB	16	Jackson, MS	Janet Woerner
Veteran-owned SB	5	Washington, DC	Kaiser Braham
Vietnam Era Veteran-owned SB	14	Iowa City, IA	Karla Long
Disabled Veteran-owned SB	21	San Francisco, CA	Doss Miller
Historically Underutilized Business Zone Small Business Program	18	Tucson, AZ	Ron Bednarz

The following facilities exceeded all goals:

<u>City</u>	<u>Small Business Specialist</u>
Biloxi, MS	Kenneth Johns
Fayetteville, AR	Victor Pongonis
Muskogee, OK	Marty Traxler
Shreveport, LA	Herman Chelette
Washington, DC	Joan VanMiddlesworth

The following facilities are recognized for Small Business Program Support:

<u>City</u>	<u>Small Business Specialist</u>	<u>Ranking</u>
Clarksburg, WV	Joe Boggs	1 st
Boise, ID	Carol Barr	2 nd
Columbus, OH	Richard Hardy	3 rd

The following facilities are recognized for Minority-Direct Small Business Support:

<u>City</u>	<u>Small Business Specialist</u>	<u>Ranking</u>
El Paso, TX	Dan Portillo	1 st
Fort Meade, SD	Neil Ondriezek	2 nd
Fargo, ND	Ed Stalheim	3 rd

The following facilities are recognized for 8(a) Business Development Program Support:

<u>City</u>	<u>Small Business Specialist</u>	<u>Ranking</u>
Clarksburg, WV	Joe Boggs	1 st
Canandaigua, NY	Cherie Widger-Kresge	2 nd
Indianapolis, IN	Craig Earles	3 rd

The following facilities are recognized for Women-Owned Small Business Support:

<u>City</u>	<u>Small Business Specialist</u>	<u>Ranking</u>
Little Rock, AR	Djuna Roberts	1 st
Fort Meade, SD	Neil Ondriezek	2 nd
Muskogee, OK	Marty Traxler	3 rd

The following facilities are recognized for Veteran-owned Small Business Support:

<u>City</u>	<u>Small Business Specialist</u>	<u>Ranking</u>
Fargo, ND	Ed Stalheim	1 st
Columbus, OH	Richard Hardy	2 nd
Washington, DC	Joan VanMiddlesworth	3 ^d

The following facilities are recognized for Vietnam Era Veteran-owned Small Business Support:

<u>City</u>	<u>Small Business Specialist</u>	<u>Ranking</u>
Biloxi, MS	Kenneth Johns	1 st
Lincoln, NE	Leigh Porter	2 nd
Fayetteville, AR	Victor Pongonis	3 rd

The following facilities are recognized for Disabled Veteran-owned Small Business Support:

<u>City</u>	<u>Small Business Specialist</u>	<u>Ranking</u>
Atlanta, GA	Aida Charnholm	1 st
Battle Creek, MI	Debbie Fischer	2 nd
Prescott, AZ	Katheryn Bernal	3 rd

The following facilities are recognized for Historically Underutilized Business (HUB) Zone Small Business Program Support. This is the inaugural year for this program and awards to HUB Zone certified businesses were difficult to make since there were very few firms eligible for the program. The efforts undertaken by the facilities noted below are especially important, since the HUB Program exists to foster economic development of communities, not of individual small businesses.

<u>City</u>	<u>Small Business Specialist</u>	<u>Ranking</u>
Tucson, AZ	Katheryn Bernal	1 st
Jackson, MS	Brenda Stewart	2 nd
Amarillo, TX	Bob Auffrey	3 rd

The following organizations are receiving Special Achievement Certificates, as noted:

Office of Acquisition and Materiel Management for Women-Owned Small Business

Office of Facilities Management for Small Business Achievements

National Cemetery Administration for Small Business Achievements

Denver Distribution Center for Small Business Achievements

VACO's Office of Administration for Women-owned Small Business Achievements

VAMC Bronx, NY for Disabled Veteran-owned Small Business Achievements

VAMC Brooklyn, NY for Disabled Veteran-owned Small Business Achievements

Austin Automation Center for Sustained Superior Support for Small Business Programs

Procurement Technical Assistance Centers

By Jim Dunning

The Procurement Technical Assistance Centers (PTAC) Program, funded by the Defense Logistics Agency, exists to increase contracting activity between small businesses, prime government contractors and the government.

A PTAC's mission is:

- to generate employment and improve the general economy of a locality by assisting business firms in obtaining and performing under DoD, other federal agencies, and state and local government contracts;
- to expand the industrial base of the DoD and other federal agencies; to provide a link between the federal government, major prime contractors, and small businesses;
- to provide technical assistance to small businesses interested in federal, state and local government contracting;
- and last but not least, to apply local resources to improve the business climate and economic development in local communities.

PTAC's offer a number of services to assist business owners in all aspects of government contracting. They can help navigate the federal contracting process on a step-by-step basis or assist entrepreneurs in any single aspect of it. Typical PTAC services include:

- Technical Consulting/One-on-One Counseling
- Marketing (EC/EDI

information, market research, and business tracking)

- Educational Seminars
- Small Business Promotion

The Federal Acquisition Streamlining Act (FASA) requires government agencies to emphasize electronic commerce and electronic data interchange (EC/EDI). PTAC's conduct seminars which help businesses get on board EC/EDI by identifying available resources and answering commonly asked questions.

PTACs can assist small businesses in their marketing efforts. This is very important since smaller firms often do not possess the resources, in knowledge, personnel, money, or time, to compete with larger concerns who are also marketing Federal agencies. PTACs can assist businesses in devising a marketing plan and identifying the appropriate government agencies and buying centers for marketing a company's product or service. They can help firms locate bid opportunities and assist them in networking with local government agencies and businesses.

Procurement Technical Assistance Centers are located in almost every state. Some states have multiple locations. We encourage contracting personnel to provide information about PTAC services to any small business they counsel or any small business they are currently working with. To find the closest PTAC, visit their web site at www.dla.mil/ddas/procurem.htm

Electronic Commerce Resource Centers

By Jim Dunning

The Federal Government, like the private sector, is moving swiftly to replace paper-based processes with electronic solutions and is requiring similar transformations on the part of its suppliers. Electronic Commerce is electronic business. It's using the power of computers, the Internet and shared software to send and receive product specifications and drawings; bids, purchase orders and invoices; and any other type of data that needs to be communicated to customers, suppliers, employees or the public.

The Electronic Commerce Resource Center (ECRC) Program assists industrial and government organizations to enter the world of Electronic Commerce. The program is sponsored by the Department of Defense's Joint Electronic Commerce Program Office (JECPO) and operated through prime contracts with Concurrent Technologies Corporation (CTC) and CAMP, Inc. ECRCs serve as a catalyst for a vast network of small- and medium-sized enterprises to adopt electronic commerce. These enterprises use advanced electronic commerce technologies to provide the Department of Defense and the other federal organizations with low-cost, high-quality products, goods, and services.

Each of the seventeen ECR Centers conducts Outreach, Education & Training, Consultation, and Technical Support activities to identify and meet individual customer needs.

Many of the services may be free to manufacturing organizations throughout the supply chains in each ECRC region.

Their clients are those groups involved in the U.S. integrated civil-military industrial base including:

- Economic Development Organizations (EDOs), including small business development centers, procurement assistance centers, state and regional Manufacturing Extension Programs, and the National Institute of Standards and Technology (NIST) Manufacturing Extension Partnership (MEP) Centers.
- Educational institutions
- Government agencies involved in acquisition
- Government prime contractors assisting their supplier chains
- Small- to medium-sized U.S. manufacturers (some may interact directly with the DOD as suppliers)

The government benefits from EC with reduced acquisition times and costs, lower prices for goods and services, expanded number and quality of suppliers, and increased buyer productivity, as well as better management information and inventory control. Industry benefits with reduced time to market, improved operating efficiencies, better product quality at reduced cost, more manageable cash flow, and an increased number of customers.

If you would like to learn more about the Electronic Commerce Resource Center or locate an ECRC near you, visit their web

site at www.ecrc.etc.com.

Small Business Regulatory Enforcement Fairness Act of 1996

By Lisa Russell

In 1996 Congress passed the Small Business Regulatory Enforcement Fairness Act (known as SBREFA and pronounced SUB REE FA) after discovering that (1) a vibrant and growing small business sector is critical to a dynamic economy; (2) small businesses bear a disproportionate share of regulatory costs and burdens; (3) fundamental changes are needed to make Federal agencies more responsive to small businesses; (4) three of the top recommendations of the 1995 White House Conference on Small Business involved reforms to the government regulatory process; (5) agencies have too often ignored the requirement to perform properly the initial regulatory flexibility analysis required at chapter 6 of title 5, United States Code; and (6) small entities should be given the opportunity to seek judicial review of agency actions as required by chapter 6 of title 5, United States Code.

After passage of SBREFA, each agency regulating the activities of small entities had to establish a program to respond to inquiries and submit a report to certain Congressional Committees on the scope, use, and achievements of the program. As required by SBREFA, Regional Small Business Regulatory Fairness Boards were created and comprised of owners, operators, or officers of small business concerns who are required to meet

at least annually and perform several functions related to the SBREFA, including making recommendations as to agency enforcement policy or practice to the Small Business and Agriculture Regulatory Enforcement Ombudsman. The Ombudsman is required to work with agencies on SBREFA issues, establish a mechanism to receive comments from small business concerns, and annually report to Congress and affected agencies on the agencies' responsiveness to small business concerns issues, activities, findings, and recommendations of the Boards.

VA agreed to implement a major recommendation in the 1999 National Ombudsman's Report to Congress. In accordance with the recommendation, VA staff who undertake enforcement or compliance activities involving a small business should review the proposed enforcement or compliance activity against the following checklist prior to taking action against a small business:

- Consider the size of the business when determining the enforcement or compliance action(s);
- Consider the economic impact of the enforcement or compliance action on the small business specifically and on small businesses generally;
- Consider any mitigating circumstances of the small business;
- Consider a lesser action or degree of enforcement or compliance action(s); and
- Consider whether the small business had sufficient notice and appropriate opportunity to correct the cause of the violation.

If you have any questions about this or other SBREFA activities, please call Lisa Russell at (202) 565-8128.

Reporting Federal Supply Schedule Contracts

By Lisa Russell

As most of you are aware, the General Services Administration (GSA) has the authority to award Federal Supply Schedule contracts for supplies, and now some services, that are commonly used by several agencies in the Federal government. GSA delegated the authority for certain parts of the schedules to the VA's National Acquisition Center (NAC). FSS contract holders generally provide a list of authorized distributors from whom you can place orders for your supplies or services. In the past, you could report the size of the distributor into FPDS. This has now changed due to the way that the agency's socioeconomic accomplishments are now measured.

In the past, VA negotiated socioeconomic goals with the Small Business Administration (SBA). At the end of the fiscal year our office would send a letter to the SBA telling them of our accomplishments, which we gathered from our internal database containing your FPDS reports. GSA FSS delivery orders were not included in your accomplishments, but NAC FSS delivery orders were.

At the same time that the Office of Federal Procurement Policy decided to include GSA FSS delivery orders in our socioeconomic accomplishments, the SBA decided to go to the Federal Procurement Data Center (FPDC) at GSA in order to get our socioeconomic accomplishments, rather than getting a letter from each agency. The FPDC has our FPDS reports, as we transfer the

reports to them on a monthly or quarterly basis. The SBA wrote the formula for extracting the data and provided it to the FPDC, which extracts the data on a periodic basis and forwards it to the SBA.

How does this affect you? When the NAC or GSA awards an FSS contract, they have to do a special FPDS report that is a Kind of Contract Action "Z", Initial Load of Federal Schedule Contract. This "Z" record provides basic contract information, including tax identification numbers, number of offers received, etc., but does not contain dollars or order numbers. When you report a delivery order exceeding \$25,000 as a Kind of Contract Action "G", the contract number you reported on this "G" record searches for a "Z" record with the identical contract number. Once your "G" record finds the "Z" record, it fills in the blanks that you left, such as the tax identification number. It will also override certain fields, the most important ones to us being the type of contractor and women-owned small business. What this means is that you now receive credit for the award based upon the socioeconomic status of the contract holder, not the distributor. So if the contract holder is a small business but the distributor is a large business, you get credit for a small business. If the contract holder is a large business and the distributor is a small business, you get credit for a large business. Occasionally, you may find that the type of contractor is reported differently on the "Z" record than it appears in another source, such as the FSS price list. If this occurs, please e-mail the contract number, contractor name, type of contractor (small, large, women-owned small business, minority-owned small business), and your source of information (FSS price list, etc.) to Lisa Russell. The NAC or GSA will be contacted and asked to research and provide

correct information, which will be relayed back to you. If the "Z" record is incorrect, it will be corrected by the appropriate office.

As a side note, please remember that the NAC and GSA award many contracts that are not FSS contracts. You can verify that it is or is not an FSS contract at <http://fpds.gsa.gov/Fpds/fedquery.htm>

VISN 2-SBA 8(a) Small Business Conference

In the spirit of community outreach, VISN 2 once again co-sponsored a small business conference with the Buffalo Area office of the Small Business Administration (SBA). This year, the conference was held in Canandaigua. We want to acknowledge the efforts of VA's talent in coordinating this event and ensuring its success:

Doug Van Loan, Network Chief
Logistics Officer
Susan Minardi, Network Contracting Manager
Cherie Widger-Krese, Network Small Business Specialist
Janie Avery, Contracting Officer, VAMC Canandaigua
Howard Swartzman, Contracting Officer, VAMC Canandaigua
Mark Simonson, Contracting Officer, VAMC Bath
Francis Leip, Contracting Officer, VAMC Syracuse
Kelly Ewing, VAMC Syracuse Intern

The focus of this event was marketing, both direct to agencies and business-to-business. There was excellent representation as the conference from Federal agencies and commercial buyers from large contractors. In fact, this annual event has matured to the point that corporate representation now exceeds Federal agency registrations. One very positive aspect of the agenda is that attending this event did not require the small business owners to attend a

full-day session. The conference was held from 10-1PM. This gave businesses the opportunity to participate in the event and then make lunch plans with possible new business partners.

We congratulate the staff of VISN 2 for their proactive support of the 8(a) business community.

Update on HUB Zone Contracting Program

It's time to check your progress in meeting this year's 1.5% goal for prime contract awards to HUB Zone certified small businesses. As reported in the last Update, there are a lot of firms in this program that provide construction services. Remember, the HUB Zone program is a higher priority than the Small Business

Competitiveness Demonstration Program (per FAR 19.1006(b)), so if you have construction requirements, please be sure to carefully screen vendors to determine if you have conditions for a HUB Zone set-aside (for requirements above 2,500) or a HUB Zone Sole Source (for requirements exceeding \$100,000, but below \$3M for services, \$5M for manufacturing).

We are aware that many VA activities no longer have the budgets for construction that they had in previous years. Therefore, it is important to identify firms in other industries that will be used to meet your goals. We've identified as a "Best Practice" in HUB Zone Program Support the procedures developed by Janet Woerner, Chief Logistics Officer in VISN 16, and the staff at VAMC Jackson, MS. This facility screens all their vendors, places notes on those firms that are certified-HUB Zone businesses, helps firms that are

headquartered in HUB Zones make application for the program to SBA. They then code dollars and actions on a weekly basis to these firms. This is especially important for firms that also hold Federal Supply Schedule contracts, because these companies get multiple delivery orders over time.

VA and SBA are participating in the development of a model Action Plan for the agencies that are entering the program in October. We seek ideas from you on other best practices. Please call or email us.



Office of Small and Disadvantaged Business Utilization OSDBU Contacts

1-800-949-8387

Director

Scott F. Denniston

Scott.denniston@mail.va.gov

Outreach Team

Jim Dunning

Jim.dunning@mail.va.gov

Ilene Waggoner

Ilene.waggoner@mail.va.gov

Christine Bosworth

Christine.bosworth@mail.va.gov

FPDS

Lisa Russell

Lisa.russell@mail.va.gov

Inez Proctor

Inez.proctor@mail.va.gov

Deputy Director

Gail Wegner

Gail.wegner@mail.va.gov

Acquisition Team

Ramsey Alexander, Jr.

Ramsey.alexander@mail.va.gov

Deborah Vandover

Deborah.vandover@mail.va.gov

Lynette Simmons

Lynette.simmons@mail.va.gov

WEBSITE <http://www.va.gov/osdbu>

FY2001 Forecast

The call for the FY 2001 Forecast will be going out soon. The Procurement Team in OSDBU has already requested that stations contact them to verify who at the station will be inputting the information. Last year for the first time the information was entered via the Intranet. The individual doing the input requires a password and access to the Forecast system. If you haven't contacted OSDBU please do so as soon as possible. Please email either Deborah VanDover or Lynette Simmons.